

**MARSHAL – CITY COURT  
OF LAFAYETTE, LOUISIANA**

**FINANCIAL REPORT**

**YEAR ENDED OCTOBER 31, 2016**

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## INDEPENDENT AUDITORS' REPORT

To the Marshal  
City Court of Lafayette, Louisiana  
Lafayette, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Marshal, City Court of Lafayette, Louisiana (Marshal), as of and for the year then ended October 31, 2016, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Marshal, City Court of Lafayette, Louisiana as of October 31, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Marshal, City Court of Lafayette, Louisiana has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriated operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### ***Other information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Marshal, City Court of Lafayette's basic financial statements. The other supplementary information on pages 25 through 30 is presented for purposes of additional analysis and is not a required part of the financial statements.

The comparative statements and schedule on pages 25-26 and 29-30 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statements are fairly stated in all material respects in relation to the financial statements as a whole. The prior year comparative information on these statements has been derived from the 2015 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the financial statements as a whole.

The comparison schedules on pages 27 and 28 have not been subjected to the auditing procedures applied in the audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2017 on our consideration of the Marshal – City Court of Lafayette’s internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Marshal’s internal control over financial reporting and compliance.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
March 31, 2017

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Net Position

October 31, 2016

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and interest-bearing deposits	\$ 107,903
Accounts receivable	50,245
Prepaid insurance	<u>20,180</u>
Total current assets	178,328
Noncurrent assets:	
Capital assets, net	<u>95,172</u>
TOTAL ASSETS	<u>273,500</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	57,587
Capital lease payable	<u>10,501</u>
Total current liabilities	68,088
Noncurrent liabilities:	
Capital lease payable	<u>9,314</u>
Total liabilities	<u>77,402</u>
<b>NET POSITION</b>	
Net investment in capital assets	75,357
Restricted	6,418
Unrestricted	<u>114,323</u>
TOTAL NET POSITION	<u>\$ 196,098</u>

The accompanying notes are an integral part of the basic financial statements.

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Activities  
For the Year Ended October 31, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue And Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 2,476,627	\$ 591,363	\$ 1,688,306	\$ -	\$ (196,958)
Interest on long-term debt	<u>1,722</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,722)</u>
Total governmental activities	<u>\$ 2,478,349</u>	<u>\$ 591,363</u>	<u>\$ 1,688,306</u>	<u>\$ -</u>	<u>(198,680)</u>
General revenues					<u>-</u>
Change in net position					(198,680)
Net position - November 1, 2015					<u>394,778</u>
Net position - October 31, 2016					<u>\$ 196,098</u>

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Balance Sheet - Governmental Funds

October 31, 2016

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ 101,485	\$ 6,418	\$ 107,903
Receivables -			
Accounts	50,245	-	50,245
Prepaid insurance	<u>20,180</u>	<u>-</u>	<u>20,180</u>
Total assets	<u>\$ 171,910</u>	<u>\$ 6,418</u>	<u>\$ 178,328</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	<u>\$ 57,587</u>	<u>\$ -</u>	<u>\$ 57,587</u>
<b>Fund balances:</b>			
Nonspendable (prepaid insurance)	20,180	-	20,180
Restricted	-	6,418	6,418
Unassigned	<u>94,143</u>	<u>-</u>	<u>94,143</u>
Total fund balances	<u>114,323</u>	<u>6,418</u>	<u>120,741</u>
Total liabilities and fund balances	<u>\$ 171,910</u>	<u>\$ 6,418</u>	<u>\$ 178,328</u>

The accompanying notes are an integral part of the basic financial statements.

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
October 31, 2016

Total fund balance for governmental funds at October 31, 2016		\$ 120,741
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Equipment, net of \$407,206 of accumulated depreciation	\$ 73,568	
Furniture and fixtures, net of \$79,253 net of accumulated depreciation	<u>21,604</u>	95,172
Long-term liabilities at October 31, 2016:		
Capital lease payable		<u>(19,815)</u>
Net position at October 31, 2016		<u>\$ 196,098</u>

The accompanying notes are an integral part of the basic financial statements.

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Funds  
For the Year Ended October 31, 2016

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:	<u>          </u>	<u>          </u>	<u>          </u>
Fees charges and commissions for services -			
Bond forfeitures	\$ 11,351	\$ -	\$ 11,351
Fees and commissions	579,309	703	580,012
Intergovernmental -			
Federal grants	7,023	-	7,023
On-behalf payments	<u>1,681,283</u>	<u>-</u>	<u>1,681,283</u>
Total revenues	<u>2,278,966</u>	<u>703</u>	<u>2,279,669</u>
Expenditures:			
Current -			
General government	2,421,163	16,029	2,437,192
Capital outlay	50,093	-	50,093
Debt service	<u>11,531</u>	<u>-</u>	<u>11,531</u>
Total expenditures	<u>2,482,787</u>	<u>16,029</u>	<u>2,498,816</u>
Excess (deficiency) of revenues over expenditures	(203,821)	(15,326)	(219,147)
Other financing sources:			
Proceeds from capital lease	<u>29,624</u>	<u>-</u>	<u>29,624</u>
Net change in fund balances	(174,197)	(15,326)	(189,523)
Fund balances, beginning	<u>288,520</u>	<u>21,744</u>	<u>310,264</u>
Fund balances, ending	<u>\$ 114,323</u>	<u>\$ 6,418</u>	<u>\$ 120,741</u>

The accompanying notes are an integral part of the basic financial statements.

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of the Governmental Funds  
to the Statement of Activities  
For the Year Ended October 31, 2016

Total net changes in fund balances for the year ended October 31, 2016 per statement of revenues, expenditures and changes in fund balances			\$ (189,523)
The change in net position reported for governmental activities in the statement of activities is different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances		\$ 50,093	
Depreciation expense for the year ended October 31, 2016		<u>(39,435)</u>	10,658
Capital lease proceeds are reported as other financing sources in the governmental funds, however, issuing debt increases long-term liabilities and does not affect the statement of activities			
			<u>(29,624)</u>
Capital lease payments considered as an expenditure on the statement of revenues, expenditures, and changes in fund balances whereas the payment reduces the balance of lease payable on the statement of net position			
			<u>9,809</u>
Total changes in net position for the year ended October 31, 2016 per statement of activities			<u>\$ (198,680)</u>

The accompanying notes are an integral part of the basic financial statements.

# MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

## Notes to Basic Financial Statements

### INTRODUCTION

#### (1) Summary of Significant Accounting Policies

##### A. Financial Reporting Entity

The Marshal – City Court of Lafayette, Louisiana (Marshal) is an elected official who serves six-year terms. The Marshal is charged with the responsibility of conducting policing and security functions for the City Court of Lafayette, Louisiana. Operations of the Marshal's office are funded by Lafayette City-Parish Consolidated Government (LCG), the State of Louisiana, and court costs charged by the City Court of Lafayette, Louisiana attributable to the performance of the Marshal's duties.

These financial statements only include funds, activities, et cetera, that are controlled by the Marshal as an independently elected official.

##### B. Basis of Presentation

The accompanying basic financial statements of the Marshal have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Marshal as a whole. These statements include all the financial activities of the Marshal. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

The statement of activities presents a comparison between direct expenses and program revenues for the Marshal's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include bond forfeitures, drug seizures, equitable sharing receipts, and fees and commissions. Revenues that are not classified as program revenues are presented as general revenues.

## MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Fund Financial Statements (FFS)

The Marshal uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid the Marshal by segregating transactions related to certain Marshal's functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Marshal are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Marshal or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. For reporting purposes, the General Fund of the Marshal is considered to be a major fund. The funds of the Marshal are described below:

#### Governmental Funds -

##### General Fund

The General Fund is the general operating fund of the Marshal. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is financed through court costs and commissions as well as bond forfeitures earned by the Marshal. Resources of the fund are used to supplement the cost of operating the Marshal's office.

#### Special Revenue Funds

##### Drug Enforcement Fund -

The Drug Enforcement Fund is used to account for the Marshal's revenues which are legally restricted for use in drug enforcement and education. This fund is financed through a sixty percent (60%) allocation of monies seized in drug-related arrests.

##### Equitable Sharing Fund -

The Equitable Sharing Fund is used to account for the Marshal's revenues which are legally restricted for law enforcement expenditures. This fund is financed through a Federal Equitable Sharing Agreement with the United States Departments of Justice and the Treasury sharing forty percent (40%) of available amounts with participating local law enforcement agencies.

#### Fiduciary (Agency) Funds -

##### Garnishment Fund

The Garnishment Fund is used to account for assets held by the Marshal as agent. This fund is used for the collection of court-ordered garnishment judgments. The Marshal charges an administrative fee and remits all other funds to the respective creditors. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The Marshal disburses all funds received during the month on the last day of each month and, therefore, at October 31, 2016 there is no balance in this fund.

## MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Restitution Fund

The Restitution Fund is used to account for assets held by the Marshal as agent. This fund is used for the collection of court-ordered restitutions. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The Marshal disburses all funds received during the month on the last day of each month and, therefore, at October 31, 2016 there is no balance in this fund.

Since by definition, fiduciary assets are held for the benefit of a third party and cannot be used to address activities or obligations for the Marshal, they are not incorporated into the government-wide statements. Since there is no book balance in the fiduciary funds at October 31, 2016, the Marshal does not present a fiduciary funds statement of assets and liabilities.

#### C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The agency funds are prepared on the cash basis of accounting which approximates modified accrual basis of accounting.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after the year end. Expenditures are recognized when the related liability is incurred.

#### D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

##### Cash and interest-bearing deposits

Cash and interest-bearing deposits are stated at cost, which approximates market.

##### Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not received. Amounts due to the Marshal for courts costs, commissions, and bond forfeitures earned from providing services to the City Court of Lafayette, Louisiana are included in accounts receivable, which amounted to \$50,245 at October 31, 2016.

##### Prepaid expenditures

Payments made for insurance that will benefit periods beyond the end of the fiscal year are recorded as prepaid expenditures.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Capital Assets

Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Marshal as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Office Equipment	5
Computer Equipment	5
Radio Equipment	10
Furniture and Fixtures	10

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There were no deferred inflows or outflows as of October 31, 2016.

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers or the Marshal's debt.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of "net investment in capital assets" or "restricted".

## MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

In the governmental fund financial statements, fund equity is classified as fund balances and are classified as follows:

- a. **Nonspendable** – Includes amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact. All amounts reported as nonspendable at October 31, 2016, by the Marshal are nonspendable in form. The Marshal has not reported any amounts that are legally or contractually required to be maintained intact.
- b. **Restricted** – Includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provisions or enabling legislation.
- c. **Committed** – Includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to directives of the Marshal who has the highest level of decision making authority. Commitments may be modified or rescinded only through actions of the Marshal.
- d. **Assigned** – Includes amounts that the Marshal intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Marshal or his designee may assign amounts to this classification.
- e. **Unassigned** – Includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

#### Use of restricted resources

When an expenditure is incurred that can be paid using either restricted or unrestricted resources (fund balances), the Marshal considers to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the Marshal considers to first apply the expenditure toward restricted fund balance and then to other, less restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

#### E. Revenues, Expenditures, and Expenses

##### Operating Revenues

Intergovernmental revenues and fees, charges and commissions for services are recorded when the Marshal is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Expenditures/Expenses

Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Marshal.

F. Budgets and Budgetary Accounting

The Marshal is required to adopt an annual budget for the General Fund. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles (“GAAP”) of the United States of America.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the Marshal may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Marshal may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At October 31, 2016, the Marshal had cash and interest-bearing deposits (book balances) totaling \$107,903 attributable to governmental activities.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Marshal’s deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. As of October 31, 2016, bank balances in the amount of \$235,484 were as follows:

Bank balances	<u>\$ 235,484</u>
Federal deposit insurance	235,484
Pledged securities	-
Total	<u>\$ 235,484</u>

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(3) Capital Assets

Capital asset activity for the year ended October 31, 2016 was as follows:

	<u>Balance</u> <u>11/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>10/31/2016</u>
Governmental activities:				
Capital assets being depreciated				
Equipment	\$ 433,311	\$ 47,463	\$ -	\$ 480,774
Furniture and fixtures	98,227	2,630	-	100,857
Total capital assets being depreciated	<u>531,538</u>	<u>50,093</u>	<u>-</u>	<u>581,631</u>
Less: accumulated depreciation				
Equipment	371,944	35,262	-	407,206
Furniture and fixtures	75,080	4,173	-	79,253
Total accumulated depreciation	<u>447,024</u>	<u>39,435</u>	<u>-</u>	<u>486,459</u>
Governmental activities, capital assets, net	<u>\$ 84,514</u>	<u>\$ 10,658</u>	<u>\$ -</u>	<u>\$ 95,172</u>

Depreciation expense in the amount of \$39,435 was charged to general government.

(4) Capital Lease

In November 2015, the Marshal entered into a lease agreement in the amount of \$29,624 for the purchase of a vehicle. The lease is due in monthly installments of \$961, including interest at 6.84%, through August 31, 2018. The lease is secured by an asset with a carrying value of \$26,668.

<u>Year Ending</u> <u>October 31,</u>	<u>Principal</u> <u>Payments</u>	<u>Interest</u> <u>Payments</u>	<u>Total</u>
2017	\$ 10,501	\$ 1,030	\$ 11,531
2018	9,314	294	9,608
Total	<u>\$ 19,815</u>	<u>\$ 1,324</u>	<u>\$ 21,139</u>

(5) Risk Management

The Marshal is exposed to risks of loss in the areas of professional liability, auto liability, general liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. LCG obtains and maintains insurance coverage for the Marshal and the Marshal is responsible for paying one-half of the cost. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(6) Litigation and Claims

On November 13, 2015, a local Lafayette, LA newspaper filed a lawsuit against Brian Pope, City Marshal, for a public records dispute. The lawsuit resulted in several judgments against the Marshal, which were under appeal as of October 31, 2016. The Marshal posted an appeal bond for the amount of the judgments which was recorded in the financial statements. At October 31, 2016, it was the opinion of legal counsel that the amount posted for the appeal bond would be adequate to cover any potential losses; therefore, no additional liability has been recorded as of October 31, 2016.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(7) Expenditures of the Marshal's Office Paid by LCG

The Marshal's administrative office is located in a building owned by LCG. The cost of maintaining and operating this building, as required by statute, is paid by LCG. These expenditures are not included in the accompanying financial statements.

Payroll and benefits for the full-time employees of the Marshal's office are paid by LCG and are not reimbursed by the Marshal's office. There are no liabilities related to payroll, benefits and postemployment benefits attributable to the Marshal's office. Additionally, one-half of the Marshal's insurance expense is paid by LCG.

(8) On-behalf Payments for Fringe Benefits and Salaries

GASB Statement No. 24, Accounting and Financial Reporting for Certain Grants and Other Financial Assistance, requires the Marshal to report in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana and by the parish governments to certain employees of the Marshal's office.

Supplemental salary payments are made by the state and parish governments directly to the Marshal's employees. The Marshal's office is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contributions made by the state and parish governments. On-behalf payments recorded as revenue and expenditures in the 2016 financial statements are as follows:

General Fund:

State of Louisiana	\$ 119,358
Lafayette City-Parish Consolidated Government	<u>1,561,925</u>
Total on-behalf payments	<u>\$1,681,283</u>

(9) Employee Retirement Systems

Substantially all employees of the Marshal's office participate in one of two retirement systems as follows:

Municipal Employees' Retirement System (MERS) is a cost-sharing defined benefit plan which provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries. The employees participate in Plan A. The separately issued plan report may be accessed on their website at <http://www.mersla.com/>

Parochial Employees' Retirement System (PERS) is a cost-sharing defined benefit plan which provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries. The employees participate in Plan A. The separately issued plan report may be accessed on the website at <http://www.persla.com/>

The Marshal's share of the costs of each of these plans is paid by LCG, and therefore, the pension liabilities, deferred outflows of resources and deferred inflows of resources related to these plans are included in LCG's financial statements.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Changes in Agency Fund Balances

A summary of changes in agency fund balances at October 31, 2016 is as follows:

	Garnishment Fund	Restitution Fund	Total
Balances, October 31, 2015	\$ -	\$ -	\$ -
Additions	1,247,051	40,530	1,287,581
Reductions	<u>(1,247,051)</u>	<u>(40,530)</u>	<u>(1,287,581)</u>
Balances, October 31, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(11) Restricted Fund Balance

At October 31, 2016, fund balance of the Drug Enforcement Fund in the amount of \$6,001 was restricted for drug enforcement and education expenditures. At October 31, 2016, fund balance of the Equitable Sharing Fund in the amount of \$417 was restricted for law enforcement expenditures.

(12) Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to Brian Pope, City Marshal, for the year ended October 31, 2016 follows:

Purpose	Amount
On-behalf payments:	
Lafayette Consolidated Government -	
Salary	\$ 86,520
Benefits - insurance	3,932
Benefits - retirement	6,465
State of Louisiana -	
Supplemental pay	6,000
Civil fees (paid by Lafayette City Court)	84,811
Garnishments	36,066
Per diem	446
Travel	416
Registration fees	625
Conference travel	<u>2,357</u>
Total	<u>\$ 227,638</u>

(13) Subsequent Event

On November 13, 2015, a local Lafayette, LA newspaper filed a lawsuit against Brian Pope, City Marshal, for a public records dispute. The matter was settled on January 9, 2017. All monies due in the settlement were paid by the Marshal during the fiscal year ended October 31, 2016 when an appeal bond was posted.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Budgetary Comparison Schedule  
Year Ended October 31, 2016

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Amended		
<b>Revenues:</b>				
Fees charges and commissions for services -				
Bond forfeitures	\$ 11,864	\$ 10,724	\$ 11,351	\$ 627
Fees and commissions	560,709	589,250	579,309	(9,941)
Intergovernmental -				
Federal grants	10,052	6,146	7,023	877
On-behalf payments	<u>1,450,000</u>	<u>1,681,283</u>	<u>1,681,283</u>	<u>-</u>
Total revenues	<u>2,032,625</u>	<u>2,287,403</u>	<u>2,278,966</u>	<u>(8,437)</u>
<b>Expenditures:</b>				
Current -				
General government	1,845,970	2,212,856	2,421,163	(208,307)
Capital outlay	25,000	56,592	50,093	6,499
Debt service	-	11,531	11,531	-
Total expenditures	<u>1,870,970</u>	<u>2,280,979</u>	<u>2,482,787</u>	<u>(201,808)</u>
Excess (deficiency) of revenues over expenditures				
	161,655	6,424	(203,821)	(210,245)
<b>Other financing sources:</b>				
Proceeds from capital lease	-	-	29,624	29,624
Net change in fund balances				
	161,655	6,424	(174,197)	(180,621)
Fund balance, beginning	<u>288,520</u>	<u>288,520</u>	<u>288,520</u>	<u>-</u>
Fund balance, ending	<u>\$ 450,175</u>	<u>\$ 294,944</u>	<u>\$ 114,323</u>	<u>\$ (180,621)</u>

**OTHER SUPPLEMENTARY  
INFORMATION**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Comparative Statement of Net Position  
For the Years Ended October 31, 2016 and 2015

	<u>Governmental Activities</u>	
	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 107,903	\$ 297,439
Accounts receivable	50,245	56,795
Prepaid insurance	<u>20,180</u>	<u>16,151</u>
Total current assets	178,328	370,385
Noncurrent assets:		
Capital assets, net	<u>95,172</u>	<u>84,514</u>
Total assets	<u>273,500</u>	<u>454,899</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	57,587	60,121
Capital lease payable	<u>10,501</u>	<u>-</u>
Total current liabilities	68,088	60,121
Noncurrent liabilities:		
Capital lease payable	<u>9,314</u>	<u>-</u>
Total liabilities	<u>77,402</u>	<u>60,121</u>
<b>NET POSITION</b>		
Net investment in capital assets	75,357	84,514
Restricted	6,418	21,744
Unrestricted	<u>114,323</u>	<u>288,520</u>
Total net position	<u>\$ 196,098</u>	<u>\$ 394,778</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Comparative Balance Sheet - General Fund  
 October 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and interest-bearing deposits	\$ 101,485	\$275,695
Receivables -		
Accounts	50,245	56,795
Prepaid insurance	<u>20,180</u>	<u>16,151</u>
 Total assets	 <u>\$ 171,910</u>	 <u>\$348,641</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	<u>\$ 57,587</u>	<u>\$ 60,121</u>
Fund balance:		
Nonspendable (prepaid insurance)	20,180	16,151
Unassigned	<u>94,143</u>	<u>272,369</u>
 Total fund balance	 <u>114,323</u>	 <u>288,520</u>
 Total liabilities and fund balance	 <u>\$ 171,910</u>	 <u>\$348,641</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Budgetary Comparison Schedule - General Fund

For the Year Ended October 31, 2016

With Comparative Actual Balances for the Year Ended October 31, 2015

	2016			Variance with Final Budget Positive (Negative)	2015
	Budget		Actual		
	Original	Amended			
Revenues:					
Fees charges and commissions for services -					
Bond forfeitures	\$ 11,864	\$ 10,724	\$ 11,351	\$ 627	\$ 10,564
Fees and commissions	560,709	589,250	579,309	(9,941)	565,134
Intergovernmental -					
Federal grants	10,052	6,146	7,023	877	5,222
On-behalf payments	1,450,000	1,681,283	1,681,283	-	1,397,367
Total revenues	<u>2,032,625</u>	<u>2,287,403</u>	<u>2,278,966</u>	<u>(8,437)</u>	<u>1,978,287</u>
Expenditures:					
Current -					
General government	1,845,970	2,212,856	2,421,163	(208,307)	1,817,708
Capital outlay	25,000	56,592	50,093	6,499	14,083
Debt service	-	11,531	11,531	-	-
Total expenditures	<u>1,870,970</u>	<u>2,280,979</u>	<u>2,482,787</u>	<u>(201,808)</u>	<u>1,831,791</u>
Excess (deficiency) or revenues over expenditures	161,655	6,424	(203,821)	(210,245)	146,496
Other financing sources:					
Proceeds from capital lease	-	-	29,624	29,624	-
Net change in fund balance	161,655	6,424	(174,197)	(180,621)	146,496
Fund balance, beginning	<u>288,520</u>	<u>288,520</u>	<u>288,520</u>	-	<u>142,024</u>
Fund balance, ending	<u>\$ 450,175</u>	<u>\$ 294,944</u>	<u>\$ 114,323</u>	<u>\$(180,621)</u>	<u>\$ 288,520</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Budgetary Comparison Schedule - Expenditures - General Fund

For the Year Ended October 31, 2016

With Comparative Actual Balances for the Year Ended October 31, 2015

	2016			Variance with Final Budget Positive (Negative)	2015 Actual
	Budget		Actual		
	Original	Amended			
Current:					
General government -					
Salaries and overtime	\$ 63,500	\$ 68,769	\$ 68,446	\$ 323	\$ 74,707
On-behalf salaries and benefits	1,450,000	1,681,283	1,681,283	-	1,397,367
Accounting	10,000	13,355	13,575	(220)	17,285
Advertising	3,000	13,149	13,394	(245)	2,480
Automobile expenses	5,500	-	-	-	6,837
Badges	5,500	2,400	2,420	(20)	5,048
Belts and holsters	2,500	2,339	2,339	-	1,946
Bullet proof vests	5,000	3,535	3,535	-	2,259
CALEA	3,470	4,006	5,208	(1,202)	3,470
Clothing allowance	12,000	13,800	13,800	-	12,000
Computer expense	8,000	3,621	3,622	(1)	10,267
Dues and subscriptions	1,500	2,038	2,038	-	1,775
Equipment	17,000	22,188	39,340	(17,152)	21,929
Equipment maintenance	1,000	5,656	3,440	2,216	304
Insurance	75,000	60,753	49,572	11,181	47,305
K9 expenses	4,000	4,207	4,225	(18)	4,474
Legal	10,000	139,648	153,611	(13,963)	36,436
Claims	-	-	184,170	(184,170)	-
Medical	9,000	7,705	7,796	(91)	10,417
Office expense	30,000	30,798	28,672	2,126	34,803
Postage	12,000	13,546	13,362	184	11,756
Printing and binding	6,000	5,723	5,389	334	4,957
Prisoner transportation	7,000	2,180	2,180	-	7,326
Reference books and publications	5,000	1,918	1,918	-	4,154
Tasers	5,000	790	25,489	(24,699)	5,398
Telephone	60,250	60,192	59,613	579	61,031
Testing	-	-	4,485	(4,485)	-
Travel and training	6,000	10,844	4,294	6,550	4,611
Transportation	7,500	5,714	6,054	(340)	7,308
Uniforms	5,000	11,312	12,614	(1,302)	10,183
Weapons and ammunition	16,250	21,387	5,279	16,108	9,875
Total general government	1,845,970	2,212,856	2,421,163	(208,307)	1,817,708
Capital outlay	25,000	56,592	50,093	6,499	14,083
Debt service	-	11,531	11,531	-	-
Total expenditures	<u>\$ 1,870,970</u>	<u>\$ 2,280,979</u>	<u>\$ 2,482,787</u>	<u>\$ (201,808)</u>	<u>\$ 1,831,791</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Balance Sheet - Nonmajor Governmental Funds

October 31, 2016

	<u>Drug Enforcement Fund</u>	<u>Equitable Sharing Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<b>ASSETS</b>			
Cash and interest-bearing deposits	<u>\$ 6,001</u>	<u>\$ 417</u>	<u>\$ 6,418</u>
<b>FUND BALANCES</b>			
Fund balances:			
Restricted	<u>\$ 6,001</u>	<u>\$ 417</u>	<u>\$ 6,418</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
 Nonmajor Governmental Funds  
 For the Year Ended October 31, 2016  
 With Comparative Actual Balances for the Year Ended October 31, 2015

	2016			2015
	Drug Enforcement Fund	Equitable Sharing Fund	Total Nonmajor Governmental Funds	
<b>Revenues:</b>				
Fees charges and commissions for services -				
Fees and commissions	\$ 703	\$ -	\$ 703	\$ 709
Interest income	-	-	-	18
Total revenues	703	-	703	727
<b>Expenditures:</b>				
Current -				
General government	9,029	7,000	16,029	2,450
Net change in fund balances	(8,326)	(7,000)	(15,326)	(1,723)
Fund balances, beginning	14,327	7,417	21,744	23,467
Fund balances, ending	\$ 6,001	\$ 417	\$ 6,418	\$ 21,744

**INTERNAL CONTROL, COMPLIANCE,  
AND OTHER MATTERS**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Marshal  
City Court of Lafayette, Louisiana  
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Marshal – City Court of Lafayette, Louisiana (Marshal) as of and for the year ended October 31, 2016, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements and have issued our report thereon dated March 31, 2017.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Marshal's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Marshal's internal control. Accordingly, we do not express an opinion on the effectiveness of the Marshal's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying summary schedule of current and prior year audit findings and corrective action, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2016-001 and 2016-002 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2016-003 to be a significant deficiency.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Marshal's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2016-004 and 2016-005.

We also noted additional matters that we have reported to the Marshal in a separate letter dated March 31, 2017.

### **Marshal's Response to Findings**

The Marshal's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. The Marshal's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

March 31, 2017  
Lafayette, Louisiana

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Summary Schedule of Current and Prior Year  
 Audit Findings and Management's Corrective Action Plan  
 For the Year Ended October 31, 2016

Ref. No.	Fiscal Year Finding Initially Occurred	Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<b>CURRENT YEAR (10/31/16) --</b>						
<u>Internal Control:</u>						
2016-001	2007	The Marshal's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	N/A	The Marshal has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and determined that it is in the best interests of the Marshal's office to outsource this task to its independent auditors. and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Brian Pope. City Marshal	N/A
2016-002	2014	Due to the small number of employees, the Marshal did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Brian Pope. City Marshal	N/A
2016-003	2016	In order to obtain efficient and effective controls over the purchasing process, the Marshal's office should establish a credit card policy which limits the number and use of credit cards. Credit cards should not be used for routine or recurring purchases.	No	The Marshal is in the process of developing a credit card policy that will limit the number and use of credit cards.	Brian Pope. City Marshal	4/30/2017
<u>Compliance:</u>						
2016-004	2016	The Marshal's office paid attorney fees in advance of services being performed. Attorney fees should only be paid for documented work after the service has been performed.	No	The Marshal will only pay fees once services have been performed.	Brian Pope. City Marshal	
2016-005	2016	Total expenditures of the General Fund for the year ended October 31, 2016 exceeded total budgeted expenditures by more than five percent. Louisiana Revised Statute 39:1311(A)(2) states that when total actual expenditures exceed total budgeted expenditures by more than five percent the budget should be amended.	No	The Marshal will amend budget when actual expenditures will exceed budgeted expenditures by more than five percent.	Brian Pope. City Marshal	

(continued)

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Summary Schedule of Current and Prior Year  
 Audit Findings and Management's Corrective Action Plan (Continued)  
 For the Year Ended October 31, 2016

Ref. No.	Fiscal Year Finding Initially Occurred	Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>CURRENT YEAR (10/31/16) --</u>						
<u>Management Letter:</u>						
2016-006	2015	The Marshal receives a six percent administrative fee for garnishment collections. Based upon review of the Louisiana Revised Statutes and existing Attorney General Opinions relative to this matter, it is unclear whether this is acceptable practice. It is recommended that the Marshal obtain further guidance from the Attorney General in this matter.	No	The Marshal will request guidance from the Attorney General.	Brian Pope, City Marshal	10/31/2017
2016-007	2016	The Marshal's office paid legal fees associated with his defense of a criminal contempt of court suit. The District Attorney has filed criminal charges against the Marshal for the payment of these fees with public funds. Based upon the opinion of the Marshal's legal counsel, the expenditures are allowable. Therefore, it is unclear whether these are valid public expenditures, which will be determined when the case is settled.	No	The Marshal contacted legal counsel, who believes these charges were allowed to be paid from public funds. The case is pending as of October 31, 2016.	Brian Pope, City Marshal	10/31/2017
<u>PRIOR YEAR (10/31/15) --</u>						
<u>Internal Control:</u>						
2015-001	2007	The Marshal's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	N/A	The Marshal has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and determined that it is in the best interests of the Marshal's office to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Brian Pope, City Marshal	N/A
2015-002	2014	Due to the small number of employees, the Marshal did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Brian Pope, City Marshal	N/A
<u>Management Letter:</u>						
2015-003	2015	The Marshal receives a six percent administrative fee for garnishment collections. Based upon review of the Louisiana Revised Statutes and existing Attorney General Opinions relative to this matter, it is unclear whether this is acceptable practice. It is recommended that the Marshal obtain further guidance from the Attorney General in this matter.	No	The Marshal will request guidance from the Attorney General.	Brian Pope, City Marshal	10/31/2016